

**NOTICE OF AMENDMENT TO THE MERCHANT TERMS AND CONDITIONS**

**DATE: 25 MARCH 2024**

Dear Valued Merchant

In our latest update to the Merchant Terms and Condition, we have introduced several key revisions aimed at enhancing clarity, transparency, and fairness for all parties involved. These revisions represent our ongoing commitment to foster a mutually beneficial partnership with our merchants and ensure that our terms and conditions reflect best practices and industry standard.

Merchants are advised to read and understand the amendments to the Merchant Terms and Conditions which will **take effect on 29 March 2024**. The revised terms and conditions is available at:

**<https://www.hlb.com.my/content/dam/hlb/my/docs/pdf/Business/merchant-services/hlb-merchant-services-merchant-tnc.pdf>**

The summary of the amendments/ changes to the Merchant Terms and Conditions are as follows:

<b>Version No.</b>	<b>Clause</b>	<b>Summary of Changes</b>
2.4	1	<ul style="list-style-type: none"> <li>• Added the below terms in the Definition section and effected consequential change in the Merchant Terms and Conditions:               <ul style="list-style-type: none"> <li>- e-Wallet</li> <li>- MyDebit</li> <li>- Biometric Authentication</li> <li>- HLBB/HLISB ABC Policy</li> <li>- Mobile Device(s)</li> </ul> </li>   <li>• Revised following terms:               <ul style="list-style-type: none"> <li>- Application Form</li> <li>-Gratification</li> <li>-Anti Bribery Laws</li> <li>-HLBB/HLISB Whistleblowing Policy</li> <li>-Replace the "E-Debit" to "MyDebit", and effected the consequential change in the Merchant Terms and Conditions</li> </ul> </li>   <li>• Removed the following terms:               <ul style="list-style-type: none"> <li>- E-Debit Transaction</li> </ul> </li> </ul>
	2.3(b), 2.3 (j)	<p>Revised the clause to reflect current Bank practice</p> <p><i>"2.3 (b) receive any payment from a Cardholder with respect to charges for goods and/or services <u>not</u> included in a Sales Slip/Terminal Receipt/E-Wallet Transaction Invoice;"</i></p> <p><i>"2.3 (j) in the case of acceptance of Debit Card/MyDebit and where applicable, EMV Card, allow any transaction that does not require a PIN save and except for transactions carried out through the use of the Contactless Card; and"</i></p>
	2.8	Insertion of a new clause on the Cross-Border POS payment.

3.2(c)	<p>Revised the clause on the specification for signature-based card.</p> <p><i>“obtain Cardholder’s signature on the terminal receipt and perform signatures verification, if the cards are signature based. The Merchant shall verify/compare the Cardholder’s signature on the terminal receipt to ascertain that such signature shall be identical to that appearing on the Card. If such verification is uncertain, or in the event the signature differs, or in the event the Merchant believes that there is discrepancy in the signature, the Merchant shall cancel the payment. In such an event, the Merchant shall not deliver any goods and services to the customer.”</i></p>		
4.5 and 4.6	<p>Removed clauses on "Indemnity" (clause 2.9.8), "Termination"(clause 2.9.10) and "Confidentiality" (clause 2.9.14). Incorporated them into Clauses 19, 22 and 26 respectively.</p> <table border="1" data-bbox="531 622 1369 1261"> <thead> <tr> <th data-bbox="531 622 1369 656"><b>Remarks</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="531 656 1369 813"> <p>Removed Clause 2.9.5 (f), 2.9.6(g) &amp;(h) from previous Merchant Terms and Conditions (under version 2.3) on Merchant and Bank’s obligation to execute the Merchant "Opt-Out" from Lowest Cost Routing Declaration to align with the latest Operational Procedures of Paynet.</p> <p>Removed the following clauses:</p> <p><i>2.9.5(f) The Merchant shall execute the Merchant’s “Opt-Out” from Lowest Cost Routing Declaration in Appendix IV of the Operational Procedures for the MyDebit Service through the Bank by furnishing all necessary information completely and accurately.</i></p> <p><i>2.9.6(g) The Bank shall execute the Merchant’s “Opt-Out” from Lowest Cost Routing Declaration in Appendix IV of the Operational Procedures for the MyDebit Service by furnishing all necessary information completely and accurately.</i></p> <p><i>2.9.6 (h) The Bank shall lodge the complete Merchant’s ‘Opt-Out’ from Lowest Cost Routing Declaration with the MyDebit Operator at least seven (7) Business Days before the opt-out takes effect.</i></p> </td> </tr> </tbody> </table>	<b>Remarks</b>	<p>Removed Clause 2.9.5 (f), 2.9.6(g) &amp;(h) from previous Merchant Terms and Conditions (under version 2.3) on Merchant and Bank’s obligation to execute the Merchant "Opt-Out" from Lowest Cost Routing Declaration to align with the latest Operational Procedures of Paynet.</p> <p>Removed the following clauses:</p> <p><i>2.9.5(f) The Merchant shall execute the Merchant’s “Opt-Out” from Lowest Cost Routing Declaration in Appendix IV of the Operational Procedures for the MyDebit Service through the Bank by furnishing all necessary information completely and accurately.</i></p> <p><i>2.9.6(g) The Bank shall execute the Merchant’s “Opt-Out” from Lowest Cost Routing Declaration in Appendix IV of the Operational Procedures for the MyDebit Service by furnishing all necessary information completely and accurately.</i></p> <p><i>2.9.6 (h) The Bank shall lodge the complete Merchant’s ‘Opt-Out’ from Lowest Cost Routing Declaration with the MyDebit Operator at least seven (7) Business Days before the opt-out takes effect.</i></p>
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5.1 (a)(iii)	<p>Revised the clause on the specification for signature-based card.</p>		
6	<p>"Bizbuddy" term insertion to these clauses:</p> <ul style="list-style-type: none"> <li>-6.1(a)(i)</li> <li>-6.1(a)(ii)</li> <li>-6.1(e)</li> <li>-6.2(d)</li> </ul> <p>Clauses 6.1(c) and (g) have been removed.</p>		
7.1(a)	<p>Revised the clause for clarity as the provision is applicable for manual posting</p> <p><i>7.1 Upon obtaining the signature of the Cardholder on the Sales Slip/Terminal Receipt for Card Transactions and upon issuance of the Terminal Receipt for Debit/MyDebit Card Transactions, EMV Card Transactions and Contactless Card Transactions, the Merchant shall:</i></p> <p><i>(a) in the case of Sales Slip (which shall be issued in triplicate), furnish to the Cardholder and the Bank copies of the Sales Slip designated for the Cardholder and the Bank respectively (subject to Clause 8.1 herein) and retain the copy of the Sales Slip designated for the Merchant. The Merchant shall present the “Bank Copy” of the Sales Slip to the Bank within three (3) Business Days from the date of the transaction failing which the Bank shall be entitled to charge the Merchant a late</i></p>		

	<p><i>submission fee equivalent to 1.8% of the transaction amount indicated on the Sales Slip or the Merchant Discount, whichever is higher without prejudice to the additional right of the Bank to declare a breach by the Merchant entitling the Bank to the remedies specified in Clauses 19, 20 and/or 21 herein. <u>For avoidance of doubt, this provision is applicable where the Merchant has to undertake manual posting as it is unable to execute the settlement as mentioned in Clause 8 below</u></i></p>
8.1.2	Removed the proviso at the end of the clause.
8.6	Removed this sub-clause.
8.10	Revised the Termination Notice to align with the termination provision under clause 22
10	Renamed the title to Mail Order and/or Telephone Order & Recurring Transaction
10.1	Revised Clause 10.1 and merged clauses 10.1(b) and (c) which covers for Telephone order and Recurring Payment
10.4(d)	Revised the new clause 10.4 to reflect current Bank practice
11	<p>Added new clauses in relation to the 'Tap on Phone' as following: 11.3, 11.4, 11.5, 11.8 and 11.9</p> <p>Revised clause 11.7 as follows:  <i>The Merchant's account permits the Merchant to accept Payment Instructions on Card <u>Payment, DuitNow QR Payment and EPP Transactions</u>, and to account for, settle or void those transactions on registered mobile devices with the Bank. Devices modified contrary to the manufacturer's software or hardware guidelines, including but not limited to those with disabled hardware or software controls, sometimes referred to as "jail broken" or "rooting" are not compatible mobile devices. The use of a modified device to use the MPOS service/Tap On Phone Application is expressly prohibited, constitutes a violation of the Agreement and is a ground for termination of the Merchant's account. The Bank does not warrant that the MPOS service/Tap On Phone Application will be compatible with the Merchant's mobile device or carrier.</i></p>
12	Renamed the title to DuitNow QR (HLB BizBuddy) Acceptance.
12	Removed "Indemnity", "Termination", "Confidentiality", "Force Majeure" and added into Clause 19, 22, 26 and 28 respectively.
19.2	Inserted Indemnity under MyDebit provision, so all the indemnity clauses are consolidated under Clause 19.
19.3	Inserted Indemnity under DuitNow provision, so all the indemnity clauses are consolidated under Clause 19.
19.4	Replaced the terms "force majeure" with "Events Beyond the Bank's Control".
20.2	Revised the terms due to consequential changes
22.1	Removed "Manual Imprinter" as the Bank is longer using this device to make any payment.
22.3	<p>Added the below clause in relation to the Termination Clause 22.3 (e) to reflect current Bank practice.</p> <p><i><u>For avoidance of doubt, should there be any material change in circumstances which in the opinion of the Bank has an adverse impact on the ability of the Merchant to perform its obligations under the Agreement, or change in the composition of the Merchant's Board of directors/partners, or its ownership or shareholding structure, the Bank may at its discretion impose any additional terms and conditions on the</u></i></p>

	<u>Merchant or vary any terms and condition in the Agreement, by notice in writing to the Merchant;</u>
22.5	Inserted Termination under MyDebit provision, so all the termination clauses are consolidated under Clause 22.
22.6	Inserted Termination under DuitNow provision, so all the termination clauses are consolidated under Clause 22.
25.8	Inserted a new clause on the obligation of the merchant to display All-in-One payment acceptance decal at the premise
26.7	Inserted Confidentiality under MyDebit provision, so all the confidentiality clauses are consolidated under Clause 26.
26.8	Inserted Confidentiality under DuitNow provision, so all the confidentiality clauses are consolidated under Clause 26.
28.3	Disclaimer for MyDebit and DuitNow QR into Non-Responsibility of the Bank, so all the relevant provisions in relation to disclaimer are consolidated under Clause 28.
32	Added new section for 'Event Beyond the Bank's Control' which comprises force majeure events under MyDebit and DuitNow QR.
37.1	Revised the clause to include posting a notice in relation to any amendments to the terms and conditions in the Bank's website as follows:  <b>37. VARIATION/AMENDMENT</b> <b>37.1</b> <i>The Bank may, at any time in its discretion and upon twenty-one (21) days' written notice to the Merchant, vary, modify, add to or delete the terms and conditions of the Agreement and notify the Merchant of such changes and the effective date of such changes, <u>by posting a notice in the Bank's website at <a href="https://www.hlb.com.my/en/business-banking/group-sme-banking/deposit/merchant-services.html">https://www.hlb.com.my/en/business-banking/group-sme-banking/deposit/merchant-services.html</a> or any other method which the Bank deems practical, and the Merchant shall be bound by such changes from such date.</u></i>
39.10(c) and (f)	Revised the terms to enhance clarity.
40	Updated to align with the Bank's latest Anti Bribery Corruption and Whistleblowing provision in the standard document.
Schedule 1	Removed Schedule 1 to align with the Bank's latest Anti Bribery and Corruption and Whistleblowing provision

Should you have any queries or require any clarification in relation to the above matter, kindly contact our Merchant Helpdesk at:

Telephone: 03 2777 1297

Email: [merchanthelpdesk@hlbb.hongleong.com.my](mailto:merchanthelpdesk@hlbb.hongleong.com.my)

Thank you.

Payment, Partnership and Fintech Ecosystem  
**Hong Leong Bank Berhad**